

DIRECTORATE OF INTELLIGENCE

Intelligence Memorandum

THE ELECTION CHALLENGE TO INDIA'S CONGRESS PARTY

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CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence 6 February 1967

INTELLIGENCE MEMORANDUM

The Election Challenge to India's Congress Party

Summary

The ruling Congress Party will face its stiffest challenge yet in the general election which begins on 15 February after an unusually tumultous pre-election period. Although the party is expected to retain a majority in the national parliament, it will probably suffer some losses. Congress will do even worse in the balloting for the state legislative assemblies; in at least three states it stands a good chance of losing power or being forced into coalition governments and in several others it faces a hard fight. The stultifying effects of almost 20 years in power have weakened the party's appeal and effectiveness. It is faction-ridden, internally divided on major issues, and to some extent blamed for India's current economic problems.

Despite these and other problems, Congress still has important advantages over its splintered opposition. No opposition party has been able to attract a significant following on an all-India basis. Even those with aspirations for national standing—the conservative Swatantra, the two rival Communist parties, and the Hindu nationalist Jan Sangh—have only pockets of real strength. Congress, on the other hand, has a generally strong nation—wide organization. As the party that led the independence movement and has dominated the political scene since independence, it is in a position to dispense patronage and to command decades—old loyalties.

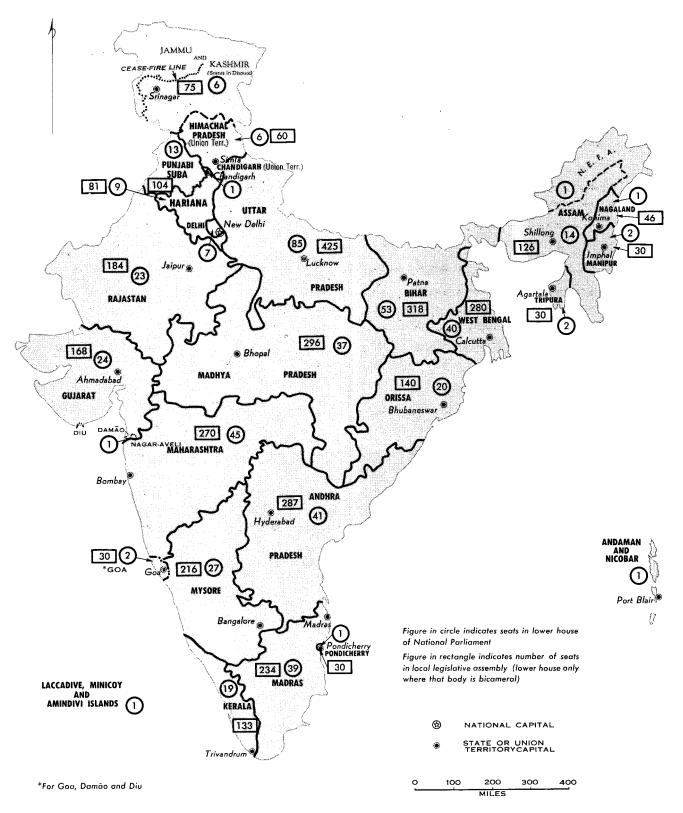
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The greater the setback to Congress in the general elections, the less are Mrs. Gandhi's chances of continuing as prime minister. The immediate post-election period is likely to be the first occasion in independent India's 20-year history in which the incumbent Congress Party leader has been challenged for the prime ministership. As in the two previous succession struggles, after the deaths of Jawaharlal Nehru and Lal Bahadur Shastri, state leaders will play a key role.

INDIA



Background

- 1. Over half of the 240 million eligible voters of the world's largest democracy are expected to exercise their franchise in the country's fourth nation-wide general election to be held between 15 and 21 February 1967. They will choose delegates for the lower house of the national parliament and for the legislative assemblies of 16 of the 17 states in the Indian union. (See map) The upper house of the national parliament—a largely powerless body whose members for the most part are elected by the state legislative assemblies—will not be reconstituted at this time.
- 2. The ruling Indian National Congress (Congress Party), which has dominated Indian politics since pre-independence days, will for the first time face the huge electorate without the charismatic leadership of Jawaharlal Nehru. In earlier contests, Nehru's appeal to the illiterate Indian masses and his dominant position within the Congress Party enabled the party to stumble through to victory despite occasional grievous intraparty feuding. In his absence, voting patterns will be determined—probably more than ever before—by the recent performance of Congress—controlled national and state governments and the ability of Congress and its rivals to mobilize the voters.

The Campaign

3. The pre-election period has been a time of unusual political and social turmoil, even for India. During the past year there has been a continuing series of strikes, demonstrations, and other forms of popular agitation. Some of these have had specific political objectives, such as the campaign for a Sikh-dominated state in northwest India and the efforts to Maharashtra State to bolster its claims to adjacent Goa or to territory now part of neighboring Mysore. Other agitation, such as the pressure in Andhra Pradesh for a steel plant, or the crusade in northern India for a national ban on the slaughter of cows, has had economic and religious overtones as well. Student unrest has led to violence in many parts of the country.

- 4. The opposition, seeking to capitalize on this atmosphere, has tried to stimulate discontent by championing popular grievances. Anti-Congress propaganda mills have combined allegations of corruption and of hoarding and profiteering with criticism of the government's devaluation of the currency, rising prices, and famine conditions. In the streets and in the legislative halls the opposition parties have assailed the Congress governments, and have kept alive the mood of discontent and dissent. Factionalism within the Congress Party, moreover, has increased in the post-Nehru period and a commanding personality able to impose unity on the party has yet to emerge.
- Despite these problems, Congress has the only nationwide political machine and is expected to retain a comfortable but reduced majority in the lower house of the national parliament. In this body, which is to be expanded to 521* seats, Congress now controls about 73 percent of the present 509 seats. However, as in past elections, Congress is expected to do less well in the balloting for state legislative assembly seats. The opposition parties, none of which has nation-wide organization or popular support, tend to concentrate their limited resources in those states where they have the best chance for success. Prospects are darkest for Congress in the southern state of Kerala, where a Communist-led electoral front seems almost certain to triumph over a decisively split local Congress Party. Congress could also fail to win a majority in the legislatures of at least three other states.

Congress Party

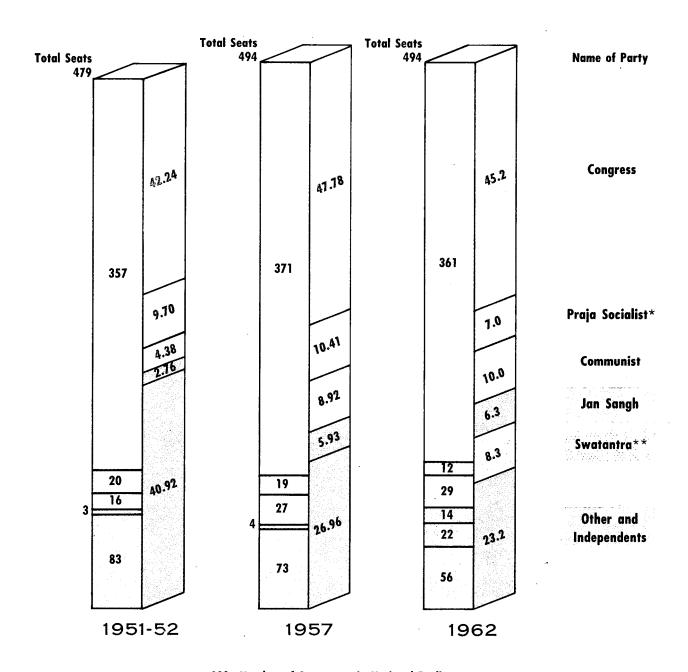
6. Founded in 1885 under the auspices of both Indian and British social reformers, the Indian National Congress-popularly referred to as the Congress party-led the Indian independence movement. By the time India gained independence in 1947, Congress had been shaped-largely by Mohandas Gandhi

^{*}Two additional members representing the Ango-Indian community may be appointed at the president's discretion.

and Jawaharlal Nehru--into the most effective political party on the subcontinent even though it was composed of many diverse ideological elements bound together mainly by their common desire to evict the British. Congress for a time retained the aura of patriotism and virtue that surrounded it before independence, and even today, after 20 years in power, the party is able to exploit to some extent its role in the independence movement. The Congress membership continues to embrace numerous elements of widely disparate views ranging from the strongly socialistic to the firmly conservative.

- In theory, Congress is dedicated to the development of a democratic socialist state. practice, however, its governments, especially since the death of Nehru in 1964, have followed a more pragmatic line and in most cases have avoided a doctrinaire socialistic approach. Thus, while the present Congress election manifesto is socialist in tenor, there is no indication that a new Congress government would abandon the present generally cooperative, though at times strained, relationship with private business. Likewise, the manifesto's brief section on foreign affairs, which restates familiar Indian foreign policy slogans on peaceful co-existence, non-alignment, anticolonialism, and disarmament, tends to mirror an idealized view of past objectives, rather than current Congress Party practice. Only in emphasizing the need to modernize agriculture and to take rapid and effective steps to check population growth does the manifesto appear to reflect recent experience and practice.
- 8. Incessant factionaliam, some corruption and disillusionment, as well as the stultifying effects of almost 20 years of political supremacy have weakened Congress' appeal and effectiveness. On the other hand, the party retains a large measure of popular support, has the only nation-wide grass-roots political machine, and has considerable political leverage through the distribution of funds and supplies for economic development and short-term welfare programs, such as famine relief.

Party Strengths in India's Past Elections



000 Number of Seats won in National Parliament

00 Percent of Vote

^{*}Figures for 1952 show the total for the then separate Socialist Party and the Kisan, Mazdoor, Praja Party , which subsequently merged to form the Praja Socialist Party.

^{**}Formed in 1959

- 9. The Congress Party dominated India's three earlier general elections—in 1951/52, 1957, and 1962—winning in each over 70 percent of the seats in the lower house of parliament and over 60 percent of the total of all seats in state legislative assemblies. (See chart) Over the years, its majorities have on the whole declined only slightly more at the state than at the national level. Congress, however, has won a number of seats disproportionately larger than the size of its popular vote, largely because its opposition has been splintered.
- 10. Although since 1952 Congress has suffered the temporary loss of its majorities in several states, it presently controls all but two of the 17 state governments. Under a constitutional device known as "president's rule," Kerala, a traditional trouble spot for Congress, has been governed directly from New Delhi since an indecisive election in 1965. Nagaland, which elected its first legislative assembly in 1964 and is the only state not electing a new assembly this year, is governed by a local party which has thus far cooperated with the Congress government in New Delhi.
- In earlier contests, Nehru's chairsma papered over most intraparty conflicts or helped to mute opposition on policy or party matters. Nehru's immediate successor as prime minister, Lal Bahadur Shastri, had neither the political power nor the personality required to dominate the party. Though Indira Gandhi--Nehru's daughter-was held in widespread popular esteem prior to her selection as prime minister in January 1966, she too has been unable to emulate her father. Nehru's death, party political power has gravitated increasingly toward state and local party bosses. To a considerable extent, the most powerful of these men retain a de facto veto over most government policies and party matters. Within their own domains they control the comprehensive party organization that covers every district in the country. In many areas this organization can deliver the vote for Congress only so long as the party's state units remain reasonably united and the opposition badly divided.

- In some cases, however, the very ability of the state-level party organizations to deliver the vote is in itself a cause of division. Party organizers tend to feel that they are the source of power, and that the chief minister (the equivalent of the prime minister on the national level) and state government are merely a facade. cent years this has caused feuding in many states between the "ministerial group" and the organization There has also been conflict between the party's "old guard" and those who have reached the higher levels of Congress politics only recently. Caste, family status, and personal wealth are also at times major causes of factionalism at the state The uneven equilibrium between competing level. groups has been disturbed from time to time by head-on collisions in their contest for supporters. In some cases, the infighting has resulted in a virtual collapse of the local Congress Party.
- 13. This year a prolonged struggle for nomination of candidates for state and national elections has bruised many state Congress organizations and has further hardened the lines of faction and caste that have always tended to divide the party. In several states—notably Rajasthan, Madhya Pradesh, Bihar, Orissa, and West Bengal—dissident leaders have taken their supporters out of the party, have established separate parties, and have attempted to form anti-Congress fronts.
- An older and more serious split is in Kerala where a Communist-led electoral front is almost certain to win against two rival Congress Party organizations. Congress prospects appear bleak in Rajasthan, Madhya Pradesh, and Orissa. In Bihar, where portions of the body politic seem to be disaffected with the government's ineptitude--particularly in the face of potential famine--Congress might fail to win a majority, despite the absence of a united opposition. Politically volatile West Bengal will probably remain under Congress rule, but mainly because the leftist opposition has been unable to form an electoral alliance. Congress faces heated battles in other states -- especially Madras, Gujarat, and Punjabi Suba--but is expected to retain

a majority in all of them. Elsewhere, Congress appears to have its house in reasonably good order and confronts the opposition with a more or less united party.

- 15. Congress still enjoys several distinct advantages over its opponents. In most areas it is better organized and financed than the opposition and in some it is virtually the only party in the field. It is the only party putting up a candidate for every contested seat. As the government party, it can dispense patronage and commands loyalties that go back to pre-independence days. It has also acquired a degree of expertise in manipulating caste and communal groups, an important element in winning Indian elections. Congress, moreover, has developed an ability to mobilize the largely illiterate electorate which gives it a decisive advantage especially in the elections to the national parliament.
- 16. Congress' prospects have been improved by the sorry state of the opposition parties in many areas. No opposition party has been able to attract a significant following on an all-India basis. Some have only regional support or are limited to a single state. Others, with national aspirations, such as the conservative Swatantra, the two rival Communist parties, and the Hindu nationalist Jan Sangh, have only widely scattered pockets of strength and little more than paper organizations elsewhere.
- 17. The opposition parties have, however, been more successful this time than in the past in making electoral arrangements among themselves and in some instances with rebel Congress organizations. A substantial reduction in the number of multicornered contests as a result of these efforts would undoubtedly help to reduce the size of the Congress majority in New Delhi and in some state assemblies, and could swing some contests against the Congress in doubtful states—perhaps to a greater degree than would a drop in Congress' popular vote.

Swatantra Party

- 18. The Swatantra Party, formed in 1959 to contest the Congress welfare state programs, is the newest major opposition party. Espousing free enterprise and the cause of the middle-class businessman, Swatantra basically stands for maximum individual freedom and minimum interference by the state. Swatantra's election manifesto also calls for stepped-up efforts to raise agricultural production, and for more pro-Western and anti-Peking foreign and defense policies. In the general election the party aims to reduce Congress to a minority in parliament, form Swatantra-led governments in Rajasthan, Orissa and Gujarat, and improve the party's standing in other states.
- 19. Swatantra established its credentials in its first major test at the polls in the general election of 1962, when it won 4.4 percent of the parliamentary seats and 5 percent of the state legislative assembly seats. It displaced the waning Praja Socialist Party as the third largest party in parliament—after Congress and the then united Communist Party of India. Since the 1964 split in Communist Party ranks, Swatantra has been the largest opposition party in parliament, holding 22 seats of the 500 actually occupied during parliament's most recent session.
- Swatantra's strength has always been unevenly distributed in the Indian states. It has often appeared to be little more than a loose coalition of local leaders, held together by the stature of the aged C. Rajagopalachari, its founder, formerly a high-ranking Congress Party member and India's first and only Indian governor-The party has also benefitted from the energy general. and organizational skill of its general secretary, M. R. Masani, and from its access to Bombay money. been able to build substantial organizational bases in only a few areas and much of the party's political activity at local levels has been confined to election periods. Swatantra has won considerable prominence, however, because of its distinctive political program, its articulate spokesmen, and the membership of some influential pre-independence ruling princes.
- 21. The party's strongholds are now Rajasthan and Orissa, where it has a reasonably good chance of leading post-election coalition governments. In both states, the adherence of several former ruling families, who

retain political influence among their one-time subjects, has favored the party's progress, as has Congress Party factionalism. In Orissa, where as the Ganatantra Parishad it had participated in a Congress-led coalition government between 1959 and 1961, Swatantra has worked out an electoral alliance with the Jana Congress, a new rebel Congress group. Under the terms of the alliance, the two parties will not contest one another in most legislative assembly constituencies and each will support the other in constituencies where it is not running its own candidates. The Jana Congress reportedly has agreed to allow the Swatantra Party to lead any future coalition government in the state.

- 22. In Rajasthan, also, Swatantra stands to profit from Congress factionalism. Here, Congress has been seriously weakened by defections, including about one fifth of its members in the state legislative assembly, and may not be able to woo enough independents and opposition members to form a new government. As in Orissa, Swatantra has worked out electoral adjustments with a newly organized rebel Congress group and with the weaker but militantly Hindu party, the Jan Sangh. Swatantra is expected to head any coalition government in Rajasthan.
- 23. In other states where Swatantra enjoys some strength, its prospects are not as bright. In Gujarat, as in 1962, rifts within Congress have worked to Swatantra's advantage, as has the Gujarat electorate's general dissatisfaction with economic conditions. Swatantra has consolidated its position in constituencies won in 1962 and has apparently gained a foothold in some others. The party has concentrated much of its national financial resources and leadership in the Gujarat contest and has cut down the number of triangular contests through electoral adjustments with the Jan Sangh and others. Congress, nevertheless, still has a strong grass-roots organization in the state and is expected to keep its majority.
- 24. In Andhra Pradesh, Swatantra is essentially the political creation of national Swatantra president N. G. Ranga. It is handicapped, however, by a lack of effective leadership and organization and is unlikely to expand its present modest holdings in the state. This absence of organization also plagues the party in Madras, where its influence largely derives from the prestige of

Rajagopalachari. Despite electoral arrangements with other parties, its prospects of winning more than a few seats in Madras are poor. Swatantra has some strength also in Mysore, Uttar Pradesh, and Bihar, but here as in the remaining states it appears to have little chance of playing a meaningful political role in the elections.

25. On the national level, Swatantra has no chance of becoming the majority parliamentary party. Most of its leaders, despite their goal of reducing Congress to a minority, would be pleased if Congress strength were reduced to 300 seats in an enlarged houses of 521 seats. Swatantra is contesting about 180 parliamentary seats and hopes to secure at least 52. This would allow it to be officially recognized as a parliamentary "party" rather than a "group" as at present. In its effort to remain the largest opposition group, however, Swatantra faces a stiff challenge from the Hindu nationalist party Jan Sangh.

Jan Sangh

- 26. The Bharatiya Jana Sangh (Jan Sangh) is the largest and most rapidly growing communal party in India. In size, it is second only to the Congress Party and its leadership is younger and often more dynamic than that of Congress. Unlike Congress and Swatantra, both of which emphasize secular trends in Indian politics, the Jan Sangh appeals to Hindu orthodoxy. It claims to be secularly oriented, with membership open to all, but in pratice draws the great majority of its members from among orthodox Hindus. A close association is also maintained with a militant Hindu cultural organization, the Rashtriya Swayamsevak Sangh (RSS), which trains many youthful Jan Sangh leaders and campaign workers.
- 27. The Jan Sangh, since its inception in 1951, has advanced a strongly nationalistic program. It advocates, for instance, greatly increased military defense programs, a hard line toward Pakistan and Communist China, a take-over of all of Kashmir, and a unitary rather that a federal form of government. The Jan Sangh would also ban the slaughter of cows,

enforce a nation-wide prohibition of alcoholic beverages, revise economic planning so as to free India from dependence on foreign aid, and in all respects promote an economically and politically self-sufficient nation.

- 28. The Jan Sangh's greatest strength is the fervent dedication of its members. Its Hindu orientation has, however, kept it from becoming a nation-wide party and discouraged cooperation with other parties holding roughly parallel political views. Its electoral strength has always been concentrated in Hindi-speaking northern and central India, particularly in middle-class urban areas. Despite efforts to expand into other parts of the country this pattern is unlikely to change in the coming election. Jan Sangh is presently the largest opposition party in Uttar Pradesh and Madhya Pradesh, as well as in the Jammu Province of the state of Jammu and Kashmir.
- 29. Jan Sangh election prospects are best in Madhya Pradesh where it has a reasonable chance of denying the ruling Congress Party its majority in the state assembly. Congress suffered heavy losses in the state in 1962 as the result of bitter intraparty feuding, weak leadership, and a generally unimpressive record. The Jan Sangh, which is well organized and has strong and energetic leadership, was the principal beneficiary of that Congress debacle, and nearly quadrupled its state assembly This year much the same pattern exists and the Jan Sangh, through electoral adjustments with other opposition parties, including a rebel Congress group, is in an even stronger position. unrest and the failure of the Congress government to improve the state's generally low standard of living are other factors enhancing the Jan Sangh's position.
- 30. In Uttar Pradesh, although the Jan Sangh has only 48 of the state assembly's 430 seats and only six of the state's 86 seats in the federal parliament, it is the only opposition party that a appears to have much of a future. The erosion of Congress Party support in Uttar Pradesh over the last two general elections is expected to continue, although this will probably not go far enough to

threaten Congress control of the state government in this election. The Jan Sangh will, however, be the chief beneficiary of any decline in Congress strength at the polls. It possesses a state-wide organization, adequate if not lavish finances, and has actively worked to gain new supporters. It has also built up a youth wing and has an appeal for middle-class Hindus who fear the social changes which Congress appears to advocate.

- 31. In other areas of northern India, Jan Sangh election prospects vary. The party could score an impressive gain in the newly formed Punjabi Suba, where a significant number of Hindus may switch from Congress to the Jan Sangh because of opposition to the creation of the Sikh-dominated state. In Harianna, the Hindu-dominated state also carved out of the former Indian Punjab, the Jan Sangh's earlier insistence on the unity of the old Punjab has been damaging. Its identification, however, with orthodox Hindu forces opposing cow slaughter, coupled with some factionalism within the ruling Congress Party, has brightened the Jan Sangh's prospects of improving on its present meager holdings in the state.
- In Jammu Province of the state of Jammu and Kashmir, observers believe that the high tide of Jan Sangh strength has passed and that the party's organization, which relies heavily on the cadre of the affiliated RSS Hindu cultural organization, is probably weaker than in 1962. Although the Jan Sangh may gain a foothold in Bihar and Gujarat and may be able to improve its holdings in Rajasthan through electoral adjustments with the Swatantra and other opposition groups, it does not present a significant threat to the Congress governments. In Maharashtra, the Jan Sangh has launched a big effort, but whatever slight gains it registers will be from a small base. It has sought to improve its position in Assam, Andhra Pradesh, Madras, and Mysore, but in these states its prospects are relatively poor.
- 33. On the national level, the Jan Sangh stands a good chance of becoming the largest opposition party in parliament. It is expected to benefit from the communal unrest that has plagued India this year, especially the agitation over cow slaughter. Like Swatantra, it will be one of the chief beneficiaries of the expected Congress losses.

The Communists*

- At the other end of the political spectrum from the Jan Sangh are the Communists. The forthcoming general election will be their first nationwide test of strength at the polls since the Chinese Communist invasion of India in October and November 1962 and the ideological and organizational split in the Indian Communist movement in 1964. Reaction against Indian Communism resulting from the deterioration of India's relations with Communist China is not expected to be a decisive factor affecting the electoral results. Popular support has been retained even in the periods of increased anti-Communist activity by the government. Even the negative effects of the split in the party have been somewhat mitigated by a tendency toward separate geographical concentrations in the power of the old right and left factions of the United Communist Party of India (CPI).
- 35. Communist electoral strength has traditionally been centered in Kerala, West Bengal, and Andhra Pradesh. Prior to the 1964 split, the Communists were the main political opposition party in all three states. The leftist Communists (CPI/L) have inherited the bulk of the original party's following in Kerala and West Bengal, while in Andhra Pradesh the two warring state units are about evenly matched. In northern India, the Communists have pockets of strength in most states, but these amount to little in electoral terms. Western and central India are similarly barren areas for the Communist, rightist or leftists.
- 36. The Communists will score their most important victories in Kerala, a small but densely populated state—about 20 million—in southwest India. The state manifests in an acute form many of the economic, political, and social problems that pervade India as a whole. In addition, communal

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and caste rivalries and a complete split in the local Congress Party have rendered Kerala unusually vulnerable to Communist penetration. The national Congress Party hierarchy has apparently written off Kerala as a lost cause, and an electoral front led by the CPI/L-but comprising parties all the way across the political spectrum, including the right wing of the Muslim League--is expected to win a majority in the state legislative assembly.

- In West Bengal, where the Congress Party has pre-empted the right and center, the $\ensuremath{\text{CPI/L}}$ is the largest opposition party and the only one with an effective political organization. Seeing the election as an opportunity to document their mass support, the West Bengal extreme left parties, especially the CPI/L, have concentrated their campaign activities in the state's populous urban areas, particularly Calcutta. A large Communist vote in the cities is a likely result and would dramatize both the degree to which the left can attract a popular following and its capability to organize protest movements that threaten law and order. In the state as a whole, however, the rival Communist parties appear more interested in defeating each other than in ousting the Congress government, and their inability to form an electoral front will probably enable the Congress to remain in power.
- 38. Andhra Pradesh is an extreme example of the debilitating effect of divisive forces within the Indian Communist movement on Communist electoral prospects. Over the past two years both Communist parties in the state have been largely preoccupied with mutual recriminations, and their movement, once monolithic, disciplined, and capable of winning over 20 percent of the vote, has lost considerable prestige and political attraction. As a result, the local Congress Party, though itself rife with factionalism, may even improve on its majority in the state assembly.

Socialist Parties

39. The Indian socialists in 1952 provided the strongest opposition to the Congress Party, but have since suffered a gradual decline, mainly to the

benefit of the Communists and other opposition parties. Successive mergers and splits, combined with individual defections to the Congress Party of some prominent socialists, have sapped the socialists' organizational vitality. Moreover, since 1955 the Congress Party has adopted formally most of the socialists' welfare-state programs, thus pre-empting much of their popular appeal. After a brief interlude in 1964 as a united party, they are fighting the 1967 election campaign as two rival socialist organizations.

- The Praja Socialist Party (PSP) has suffered grievously from the 1964 defection of Asoka Mehta--now minister of planning in the central government -- and his followers and from the failure of its brief and bitter merger with the Socialist Party of India that same year. In some states where the PSP enjoyed a modicum of popular support, such as Uttar Pradesh and Kerala, many of its backers stayed on with the remnant of the merged socialist organization -- the Samyuta Socialist Party (SSP) -- leaving the PSP organization all but wiped out. A number of prominent party members are running this year as PSP nominees, but many of them, given the collapse of the organization behind them, will win or lose on the basis of their own personal appeal and status.
- 41. The principal areas of electoral strength for the rival SSP are Uttar Pradesh, Bihar, Madhya Pradesh, and Kerala. Here the SSP has sought electoral arrangements with opposition groups of all complexions. The party's greatest chance of being on a winning team is in Kerala, where it is a member of the Communist-led electoral front.

State and Regional Parties

42. In addition to those political parties seeking national status, India has a number of parties based almost solely on communal, caste, tribal, and sectional loyalties. Although their national impact is negligible, they are significant in state politics and in some cases form the main opposition to the Congress Party. Usually they seek to capture working majorities in the state legislatures or at least to gain enough seats to enhance their prospects of forming coalition governments.

Although none of these parties is expected to gain power in this year's election, in at least one state—Madras—a regional party is presenting a fairly stiff challenge to an entrenched Congress regime.

- The most significant parties operating largely or wholly in single states are the Dravida Munnetra Kazagham (DMK) in Madras, two wings of the Sikh Akali Dal in Punjabi Suba, and the National Conference in Jammu and Kashmir. Other locallyoriented parties are not expected to play a meaningful role in determining the outcome of the 1967 elections. These include the badly divided and largely "untouchable" based Republican Party active in Uttar Pradesh, Maharashtra, and Gujarat, the All Parties Hill Leaders Conference of Assam, a number of leftist parties in West Bengal, and a plethora of caste parties in Madras. In Kerala, the Muslim League is largely a local phenomenon but is an important junior member of the Communistled electoral front which is expected to win a majority in the state assembly.
- The DMK is based on the regional loyalty of the Tamil-speaking people of southern India, chiefly in the state of Madras. Appealing to the Tamils' traditional resentment against what they regard as high-caste dominace and northern discrimination, the DMK stands against the imposition of the Hindi language and is strongly anti-Brahmin and antinorth. It's organizational strength has increased sharply during the past 16 years. It now claims an active membership of over 400,000, with more than 4,000 branches throughout Madras. Membership is drawn largely from the laboring classes, portions of the white-collar workers, students, and other young people. Despite this strength, the DMK, which in 1962 won 50 of the 234 seats in the Madras state assembly and eight seats in the national parliament, has not grown enough during the past years to project itself as an alternative to Congress. Electoral alliances with Swatantra, the Muslim League, the Praja Socialist Party, and another small group do not appear to have reduced sufficiently the large number of multicornered contests which in the past have allowed the Madras Congress Party to win a sizable majority of

of the legislative assembly seats with only a plurality of the popular vote. The DMK, however, may win as much as 30 percent of the state legislative assembly seats.

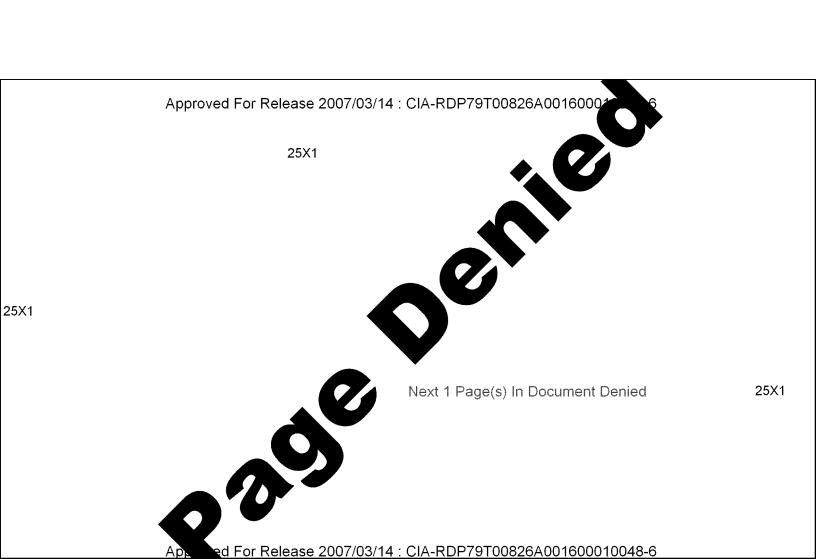
- The Akali Dal, the Sikh communal party of the newly created state of Punjabi Suba, is divided into two rival factions -- one dominated by Sant Fateh Singh, the other by the aging, erratic Master Tara Singh. The Sant faction is the largest opposition group in the state, holding 17 of the 86 state legislative assembly seats, but appears to have lost some strength from the high point achieved last spring when the central government capitulated to its demands for a division of the Indian Punjab along Sikh-Hindu lines. The rival Tara Singh splinter group, although small, has helped to reduce the Sant's challenge to Congress by exploiting Sikh disappointment over the size and character of the long-sought Sikhdominated state. Since Sant Fatch Singh's well publicized fast last December, which ended with few if any concessions to his demands by the central government, Master Tara Singh apparently has had some success in tarring the Sant as a traitor to Sikh inter-As a result, the local Congress Party, although itself subject to factionalism, is expected to retain its majority in the state assembly.
- The National Conference of Jammu and Kashmir, the former governing party, was revived last July by the unscrupulous former state premier Bakshi Ghulam Mohammed. It is now the leading challenger to continued Congress rule in Jammu and Kashmir. Bakshi's bid for a return to power will probably fail, though the election may be close if it is fair. The government's favor can be very important in this state, and Congress controls the government machinery, has a stronger organization and greater financial resources, and enjoys the outspoken backing of New Delhi. The National Conference, on the other hand has not been able to form electoral arrangements with other opposition parties or to secure the support of the Muslim self-determinist leaders. Although the National Conference may score important victories in Kashmir proper, it has not made much of an impact in the Hindu-dominated Jammu Province.

The Post-Election Period

- 47. Indira Gandhi's hold on the post of prime minister is by no means certain. If the Congress does poorly in the elections, she may be forced from office by disillusioned party leaders or may voluntarily retire. Conversely, a relatively good showing by the party would strengthen her position.
- Regardless of the outcome, Mrs. Gandhi, will face the challenge of former finance minister and party stalwart Morarji Desai, who has announced his intentions to try to wrest the government leadership from her. Desai also made a determined bid following the death of Prime Minister Shastri early last year and, despite a lack of support from key party leaders, managed to garner the votes of 32 percent of the Congress Party members sitting in parliament. Should Mrs. Gandhi withdraw or should it become reasonably clear that she could not win in a contest with Desai, Home Minister Chavan might also seek the office. He seems prepared to bide his time, however, and has made no overt move to use his influential cabinet position to build up support for a bid this year. Party president Kamaraj, another possible candidate for the job, has certain shortcomings which would limit his appeal to many members of the party hierarchy; his knowledge of foreign affairs is rudimentary and he speaks neither English nor Hindi well.
- 49. Once the elections are over, maneuvering for power and position within the Congress Party and the governmental hierarchy will increase, and state and regional party bosses will vie for representation in key national government cabinet positions. Much will depend on the electoral performance of the party units controlled by the various party leaders and of the personal relationships between these leaders.
- 50. At the state level, Congress will most likely have to deal with a Communist-led government in Kerala and with perhaps as many as three other anti-Congress coalitions elsewhere. Congress itself may, in some instances, be forced into sharing power with opposition parties. Where no party

is able to form a government, Congress leaders may have to resort to rule from New Delhi through the constitutional device of "president's rule."

- 51. The opposition parties most likely to benefit from Congress' decline at both the national and state levels—the Swatantra and the Jan Sangh—will probably continue their efforts to discredit the ruling party and to this extent will make it harder than ever for the Congress to govern effectively. On the other hand, definitive evidence of erosion in Congress' dominance of Indian politics could spur the party's leadership to rejuvenate the organization, especially in those areas where the dry rot is most advanced.
- 52. In any event, it would appear that Congress faces the strongest challenge yet to its domination of India's political life and that India is on the verge of a new phase in its political development; the party that brought the country independence will have to base its appeal more on performance than on the personality of a leader who was a national symbol as well as a political chieftain.



6 February 1967

Talking Paper for the memorandum, to India's Congress Party

The Election Challenge

- 1. This memorandum, which was self-initiated, is intended both as a limited forecast of the results of the Indian elections and as a background paper which may contribute to a further understanding of the election results as they unfold during the last half of February.
- 2. It is essentially an OCI production and has not been formally coordinated outside OCI. However, members of the ONE staff and of the Indian desk of the State Deptment were consulted extensively while it was in preparation.
 - 3. The paper makes the following points:
 - a. The Congress Party, which surprisingly enough has never garnered a majority of the popular vote, will retain its majority in the national parliament although sustaining some losses;
 - b. At the state level, Congress may lose power or be forced to form coalition governments in at least three states;
 - c. Such losses will flow as much from troubles within Congress as from the growing strength of opposition parties, none of which so far present any real challenge to Congress on the national level;
 - d. After the elections, and depending on the extent of Congress' losses, there will be infighting among Congress' leadership, and Mrs. Ghandi's future as prime minister may be in jeopardy.

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- 4. It also traces in some detail the status and development of each of the principal parties, the role that each plays at both the national and the state level, and the prospects for each in the various states.
- 5. The DCI might find interesting the Summary (paragraphs 1 through 4) which describe generally the election campaign and paragraphs 47 through 52, which present a forecast of the postelection developments.

Recommend routine internal and external dissemination.